

7A Am. Jur. 2d Automobiles § 30

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Automobiles and Highway Traffic

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II. Title and Ownership; Transfers and Encumbrances

A. Title

§ 30. Certificates of title

[Topic Summary](#) | [Correlation Table](#) | [References](#)

West's Key Number Digest

West's Key Number Digest, [Automobiles](#) 20

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[Liability of state, in issuing automobile certificate of title, for failure to discover title defect, 28 A.L.R.4th 184](#)

Forms

[Am. Jur. Legal Forms 2d § 1:21 \(Affidavit—Loss of certificate of title to vehicle\)](#)

[Am. Jur. Legal Forms 2d § 33.21 \(Application—For certificate of title—In form of affidavit\)](#)

In many states, the statutes provide a system of registering the title to motor vehicles not unlike the Torrens system of registering title to real property.¹ Such statutes constitute an authorized exercise of the police power on the part of the legislature, and do not violate any of the provisions of the Federal Constitution.² Such a statute is a police regulation of the highest order and should be liberally construed to accomplish its purpose.³ The provisions of such statutes vary between jurisdictions, but they

have in common an arrangement for the issuance of a certificate of title or similar instrument which, it is intended, shall show who is the owner of the vehicle.⁴

Statutes providing a system for registering title are to be interpreted in accordance with the general purpose sought to be effectuated by them,⁵ which is to prevent theft and fraud in the transfer of title to motor vehicles.⁶ The requirement that vehicles be titled serves the purpose of protecting owners of motor vehicles, persons holding liens thereon, and the public in transactions involving vehicles.⁷ The function of a statutory scheme governing motor vehicle titles is to outline a single filing procedure for the notation of ownership and security interests in vehicles on the certificate of title.⁸ Under this unified system, parties to a commercial transaction may rely with practical certitude on the ownership and security interests inscribed on the certificate of title.⁹ A certificate of title statute is designed to allow buyers to readily and reliably ascertain the status of a seller's title without recourse to official state records.¹⁰

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Footnotes

- 1 Merchants Rating & Adjusting Co. v. Skaug, 4 Wash. 2d 46, 102 P.2d 227 (1940).
- 2 State ex rel. City Loan & Savings Co. v. Taggart, 134 Ohio St. 374, 12 Ohio Op. 517, 17 N.E.2d 758 (1938).
- 3 Reddish v. Heartland Auto Plaza, 197 S.W.3d 634 (Mo. Ct. App. S.D. 2006).
- 4 Hicks v. Thomas, 516 So. 2d 1344, 6 U.C.C. Rep. Serv. 2d 105 (Miss. 1987); Martin v. Nager, 192 N.J. Super. 189, 469 A.2d 519, 38 U.C.C. Rep. Serv. 781 (Ch. Div. 1983).
- 5 In re Bill, 529 B.R. 779 (Bankr. D. Idaho 2015) (applying Idaho law); Theriac v. McKeever, 405 So. 2d 354 (La. Ct. App. 2d Cir. 1981); Shaffer v. Federated Mut. Ins. Co., 903 S.W.2d 600 (Mo. Ct. App. S.D. 1995).
- 6 Burton v. SS Auto Inc., 426 S.W.3d 43 (Mo. Ct. App. W.D. 2014); Reddish v. Heartland Auto Plaza, 197 S.W.3d 634 (Mo. Ct. App. S.D. 2006); Allan Nott Ents, Inc. v. Nicholas Starr Auto, L.L.C., 110 Ohio St. 3d 112, 2006-Ohio-3819, 851 N.E.2d 479 (2006); Gramercy Ins. Co. v. Arcadia Financial Ltd., 32 S.W.3d 402 (Tex. App. Houston 14th Dist. 2000); Concord General Mut. Ins. Co. v. Sumner, 171 Vt. 572, 762 A.2d 849, 43 U.C.C. Rep. Serv. 2d 875 (2000).
- 7 Flynn v. Indiana Bureau of Motor Vehicles, 716 N.E.2d 988 (Ind. Ct. App. 1999); Saturn of Kings Automall, Inc. v. Mike Albert Leasing, Inc., 92 Ohio St. 3d 513, 2001-Ohio-1274, 751 N.E.2d 1019, 45 U.C.C. Rep. Serv. 2d 478 (2001).
- 8 First Nat. Bank of the North v. Automotive Finance Corp., 661 N.W.2d 668, 50 U.C.C. Rep. Serv. 2d 915 (Minn. Ct. App. 2003).
- 9 First Nat. Bank of the North v. Automotive Finance Corp., 661 N.W.2d 668, 50 U.C.C. Rep. Serv. 2d 915 (Minn. Ct. App. 2003).
- 10 Sachtjen v. American Family Mut. Ins. Co., 49 P.3d 1146 (Colo. 2002).

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